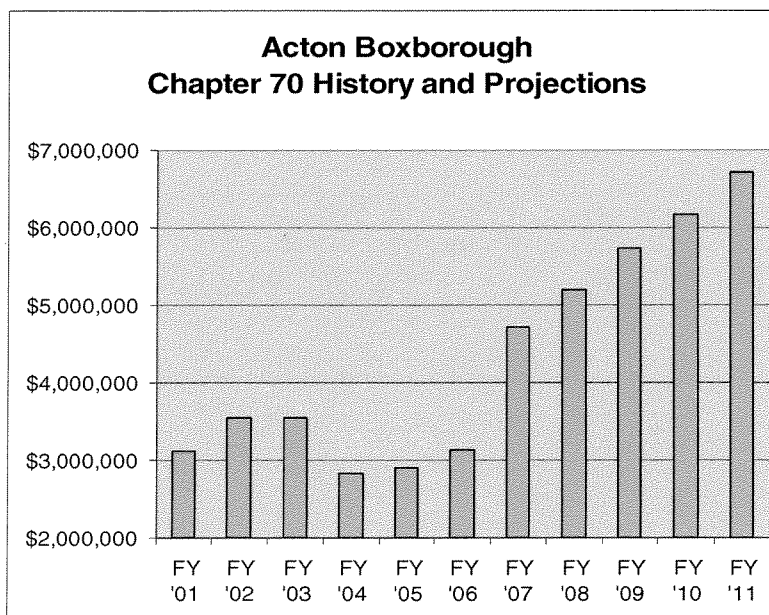


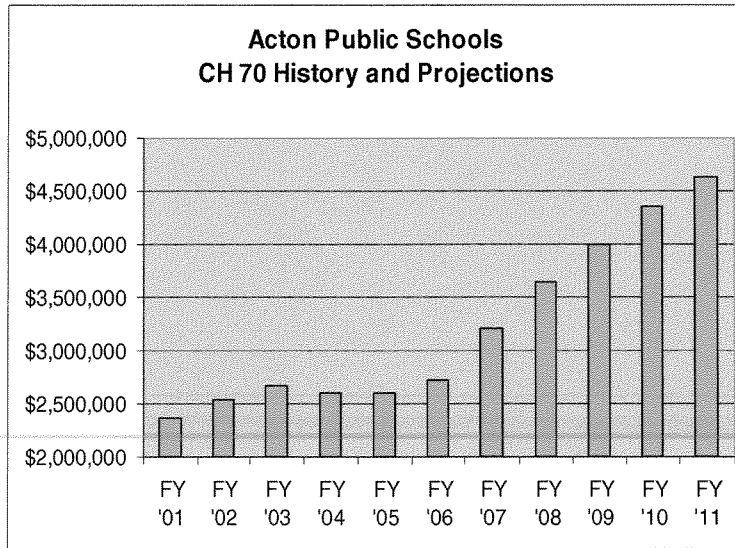
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State Aid for Education (Chapter 70)

The FY '07 State budget included the first real reform to Chapter 70 Aid since the Education Reform Act of 1993. The new formula sets a target percentage for each district that Massachusetts will pay toward education costs. It also sets a minimum level of state funding, similar to the proposal made by Acton officials last year. This new minimum means that the state will pay at least 17% of a district's foundation budget. Currently, districts receive anywhere from 8% to 90% of their budgets paid for through the State's Chapter 70 Aid. These changes will be implemented over the next five years. Acton and Acton-Boxborough will grow from receiving 15% state aid last year to a target of 28%. This year alone, Acton-Boxborough received a 54% increase in Chapter 70 Aid, and Acton Public Schools received an 18% increase. This is partly due to the rapid increase in enrollment we have experienced at the Regional Schools over the last few years, and partly due to the new way wealth is calculated by the state. The old formula was based strictly on property values, and the new formula is based 50% on income and 50% on property values.

This year's state aid increase is a total of over \$2 million: \$1.6 million for the Regional Schools, and \$480,000 for the Acton Public Schools. Of this increase, \$240,000 was spent to hire four new teachers at ABRHS. Another \$120,000 will be needed to hire some staff in January to begin to meet the state requirement that all students attend 990 hours of structured learning (more detail is provided on the next few pages). The remaining Regional Aid (\$1.2 million) will flow to the Region's Excess and Deficiency (similar to free cash) fund for future budgetary needs. The \$480,000 APS Aid has not been spent, and will flow to Acton's free cash. The \$2 million increase is part of the new base for Acton's state aid, and is slated to grow more under the new formula, as you can see in these charts.





In FY '06, Acton Boxborough was receiving \$1,153 per student from the State in Chapter 70 Aid. This year, we are receiving \$1,661 per student, and when the formula is fully implemented in four years, we should be receiving \$2,325 per student. At Acton Public Schools, we received \$1,128 per student in FY '06, and \$1,338 this year. In four years, APS is scheduled to receive \$2,122 per student. Overall, Acton and Acton-Boxborough's State Aid is proposed to double under the new formula.

